

## Statement Introducing the Family Leave Insurance Act

Wednesday, 25 March 2009

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For the Congressional Record

March 25, 2009

MR. STARK: Madam Speaker, I rise today with Representatives George Miller, Lynn Woolsey, and Carolyn Maloney to introduce the Family Leave Insurance Act of 2009. This legislation will support our nation's working families by providing 12 weeks of paid leave for all workers to care for a sick family member, bond with a new child, deal with the military deployment of a family member, or recovery from their own serious illness.

Sixteen years ago, Congress passed the landmark Family and Medical Leave Act (FMLA) to provide job-protected leave for new parents and individuals caring for ill family members. Since then, more than 100 million families have benefited from this law. While the FMLA has proved vitally important for many families, it remains incomplete because it requires only unpaid leave and applies only to companies with 50 or more employees &ndash; less than half the workforce.

Millions of men and women are not protected by the FMLA or simply cannot afford to take unpaid leave &ndash; especially in these tough economic times. A recent study found that about 75 percent of FMLA-eligible workers did not take leave because they could not afford it &ndash; and according to the Department of Labor, only 8 percent of private employers provide paid leave. This is taking a toll on families &ndash; a report in 1999 by the President's Council of Economic Advisers found that since 1969, children have lost 22 hours per week with their parents.

The United States is nearly alone in the world in not providing some type of paid family leave. Only three other countries &ndash; Liberia, Papua New Guinea, and Swaziland &ndash; fail to provide security for new parents of those caring for a loved one. The Family Leave Insurance Act would bring the United States up to date with the rest of the world and allow millions of workers to take care of their families while still being able to make ends meet.

Paid leave provides real benefits for children and families. A Harvard School of Public Health study found that the education and health of children improves substantially when parents have work flexibility and paid leave. When parents are able to act as caregivers for a sick child, hospital stays are reduced by 31 percent. Parental involvement is also associated with higher achievement in language and math, improved behavior, and lower dropout rates.

Paid leave is also a boon to businesses and workers. For workers, paid leave means employment and financial security and improved job satisfaction. For businesses, paid leave means less turnover and increased productivity. Research indicates that 98 percent of employees return to work for the same employer after taking family and medical leave.

My home state of California has led the country in providing access to paid leave (albeit only six weeks) and flexible use of sick days. This law has helped California's families and businesses. According to a Harvard study, California had a lower rate of foreclosures than other states due to income loss arising from a personal illness or the need to care for a sick household member. Despite initial protest by California's business community against the paid leave law, most employers now agree that this investment in their workers is also a wise investment for their business. The Family Leave Insurance Act builds on California's successful experience to enact a federal paid leave law.

More specifically, the bill:

- Provides all workers with 12 weeks of paid leave over a 12-month period to care for a new child, provide for an ill family member (including a domestic partner or the child of a domestic partner), treat their own illness, or deal with an exigency caused by the deployment of a member of the military;
- Creates a new trust fund to run the program. It is financed equally by employers and employees, who will each contribute 0.2% of employee wages;
- Progressively tiers the benefits so that low wage workers (earning less than \$30,000) will receive full or near full salary replacement, middle income workers (\$30,000- \$60,000) receive 55% wage replacement, and higher earners (over \$60,000) receive 40-45%, with the benefit capped at approximately \$800 per week;
- Administers the program through the Department of Labor, which will contract with states to administer the program (similar to how the Unemployment Insurance program is run).

The FMLA has helped individuals meet their employment and family obligations without jeopardizing their job. Now — more than ever — workers’ financial obligations must be provided the same security. I urge my colleagues to cosponsor the Family Leave Insurance Act. All workers deserve the chance to care for their families and still be able to pay the bills.